

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2054 - HB 2449

February 25, 2014

SUMMARY OF BILL: Renames the Tennessee Human Rights Commission (THRC) as the Tennessee Affirmative Action Commission (TAAC). Restructures the Commission appointments by authorizing the Speakers of the Senate and the House of Representatives to each appoint five members. Reduces, from 15 to 5, the number of Commission appointments to be made by the Governor. Requires the 15 new members to be appointed by July 1, 2014, and staggers the terms of the newly appointed members. Prohibits a member from serving more than two consecutive six-year terms. Prohibits a designated Chair from serving more than two consecutive two-year terms. Requires all rules promulgated by the THRC and in effect on July 1, 2014, to remain in full force and administered by the TAAC until amended, repealed, expired, modified, or suspended.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$16,600/One-Time

Other Fiscal Impact – In the event that renaming the Commission leads to a reduction in the number of cases filed with the Commission, federal expenditures would be reduced. The precise number of such cases is not quantifiable; however, if the number of filed cases decreases by 15 percent annually, the reduction in federal expenditures would be \$117,500.

Assumptions:

- The THRC's printed materials, including but not limited to, business cards, banners and tablecloth advertising the agency, brochures, and promotional materials will have to be revised to reflect the new name. The one-time increase in state expenditures is \$9,452 [business cards (\$600) + banners and tablecloth (\$2,250) + promotional materials (\$5,602) + brochures (\$1,000)].
- The new 15 Board members will have to attend mandatory new member training. The one-time increase in state expenditures for travel is \$7,125 (15 members x \$475 mileage, per diem, and lodging).
- Total one-time increase in expenditures is \$16,577 (\$9,452 + \$7,125).
- According to THRC, the number of cases filed with the Commission will likely be reduced. While the precise number of reduced cases is not quantifiable, a 15 percent

decrease in the number of cases would result in a loss of federal funding of approximately \$117,450.

- For FY 12-13, the Commission spent approximately \$32,000 on education and outreach, including but not limited to, printed materials, advertising, and outreach events and travel. Estimate assumes the Commission will not have an increase in these expenditures as a result of this bill.
- Restructuring and staggering the Commission appointments can be handled within existing resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

/lsc